



FEDERAL RESERVE SYSTEM

Proposed Agency Information Collection Activities; Comment Request

AGENCY: Board of Governors of the Federal Reserve System.

SUMMARY: On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board of Governors of the Federal Reserve System (Board) its approval authority under the Paperwork Reduction Act (PRA), pursuant to 5 CFR 1320.16, to approve of and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board under conditions set forth in 5 CFR 1320 Appendix A.1. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the Paperwork Reduction Act Submission, supporting statements and approved collection of information instruments are placed into OMB's public docket files. The Federal Reserve may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

DATES: Comments must be submitted on or before [INSERT DATE 60 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: You may submit comments, identified by *FR 2225*, *FR 2226*, *FR 3054a,b,c,d*, *FR Y-9C*, *FR Y-9LP*, *FR Y-9SP*, *FR Y-9ES*, or *FR Y-9CS* by any of the following methods:

- Agency Web Site: <http://www.federalreserve.gov>. Follow the instructions for submitting comments at <http://www.federalreserve.gov/apps/foia/proposedregs.aspx>.
- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.
- E-mail: regs.comments@federalreserve.gov. Include OMB number in the subject line of the message.
- FAX: (202) 452-3819 or (202) 452-3102.
- Mail: Robert deV. Frierson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue, N.W., Washington, D.C. 20551.

All public comments are available from the Board's web site at <http://www.federalreserve.gov/apps/foia/proposedregs.aspx> as submitted, unless modified for technical reasons. Accordingly, your comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper form in Room

MP-500 of the Board's Martin Building (20th and C Streets, N.W.) between 9 a.m. and 5 p.m. on weekdays.

Additionally, commenters may send a copy of their comments to the OMB Desk Officer — Shagufta Ahmed — Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235 725 17th Street, NW., Washington, D.C. 20503 or by fax to (202) 395-6974.

FOR FURTHER INFORMATION CONTACT: A copy of the PRA OMB submission, including the proposed reporting form and instructions, supporting statement, and other documentation will be placed into OMB's public docket files, once approved. These documents will also be made available on the Federal Reserve Board's public website at:

<http://www.federalreserve.gov/apps/reportforms/review.aspx> or may be requested from the agency clearance officer, whose name appears below.

Federal Reserve Board Clearance Officer — Cynthia Ayouch —
Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, D.C. 20551 (202) 452-3829. Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

SUPPLEMENTARY INFORMATION:**Request for comment on information collection proposal**

The following information collections, which are being handled under this delegated authority, have received initial Board approval and are hereby published for comment. At the end of the comment period, the proposed information collections, along with an analysis of comments and recommendations received, will be submitted to the Board for final approval under OMB delegated authority. Comments are invited on the following:

- a. Whether the proposed collection of information is necessary for the proper performance of the Federal Reserve's functions; including whether the information has practical utility;
- b. The accuracy of the Federal Reserve's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;
- c. Ways to enhance the quality, utility, and clarity of the information to be collected;
- d. Ways to minimize the burden of information collection on respondents, including through the use of automated collection techniques or other forms of information technology; and

- e. Estimates of capital or start up costs and costs of operation, maintenance, and purchase of services to provide information.

Proposal to approve under OMB delegated authority the extension for three years, with revision, of the following information collections:

1. Report title: Consolidated Financial Statements for Holding Companies.

Agency form number: FR Y-9C.

OMB control number: 7100-0128.

Frequency: Quarterly.

Reporters: Holding companies (HCs).

Estimated annual reporting hours: FR Y-9C (non Advanced Approaches HCs): 220,366 hours; FR Y-9C (Advanced Approaches Bank Holding Companies (BHCs)): 2,404 hours.

Estimated average hours per response: FR Y-9C (non Advanced Approaches HCs): 48.84 hours; FR Y-9C (Advanced Approaches BHCs): 50.09 hours.

Number of respondents: FR Y-9C (non Advanced Approaches HCs): 1,128; FR Y-9C (Advanced Approaches BHCs): 12.

General description of report: This information collection is authorized pursuant by Section 5(c) of the Bank Holding Company Act [12 U.S.C. § 1844(c)]. In addition, 12 U.S.C. §§ 1467a(b)(2)(A) and 1850a(c)(1)(A)

authorize the Federal Reserve to require that SLHCs and supervised securities holding companies also file the FR Y-9 series of reports with the Federal Reserve. Overall, the Federal Reserve does not consider the financial data in these reports to be confidential. However, a respondent may request confidential treatment pursuant to sections (b)(4), (b)(6), and (b)(8) of the Freedom of Information Act (FOIA) (5 U.S.C. §§ 552(b)(4), (b)(6), and (b)(8)). The applicability of these exemptions would need to be reviewed on a case by case basis.

Abstract: The FR Y-9 family of reporting forms continues to be the primary source of financial data on HCs that examiners rely on in the intervals between on-site inspections and off-site assessments through the Small Bank Holding Company Supervision Program. Financial data from these reporting forms are used to detect emerging financial problems, to review performance and conduct pre-inspection analysis, to monitor and evaluate capital adequacy, to evaluate HC mergers and acquisitions, and to analyze an HC's overall financial condition to ensure the safety and soundness of its operations.

The FR Y-9C consists of standardized financial statements similar to the Federal Financial Institutions Examination Council (FFIEC) Consolidated Reports of Condition and Income (Call Reports) (FFIEC 031

& 041; OMB No. 7100-0036) filed by commercial banks. It collects consolidated data from HCs, and is filed by top-tier HCs with total consolidated assets of \$500 million or more.¹

Current actions: The Federal Reserve proposes to discontinue the Voluntary Advance Collection of Summary FR Y-9C Data from the Largest BHCs (Advanced Collection). This proposal is based on the following information:

- Since the start of the Advance Collection process in 2004, the FR Y-9C processing time period has shortened by 15 days allowing access to the officially submitted data in a more timely fashion.
- The companies (i.e., the 50 largest BHCs) participating in the process have increased the quality and quantity of data available in their press release information.
- There would be resource savings at the companies and the Federal Reserve as a result of discontinuing the “Voluntary Advance Collection” process.

2. *Report title:* Payments Systems Surveys: Ad Hoc Payments Systems Survey (FR 3054a) and the Currency Functionality Survey (FR 3054d).

¹ Under certain circumstances described in the General Instructions, HCs with assets under \$500 million may be required to file the FR Y-9C.

Agency form numbers: FR 3054a and FR 3054d.

OMB control number: 7100-0332.

Frequency: On occasion and annually.

Reporters: Financial, institutions (or depository institutions), individuals, law enforcement and nonfinancial businesses (banknote equipment manufacturers, or global wholesale bank note dealers).

Estimated annual reporting hours: 11,500 hours.

Estimated average hours per response: FR 3054a: 0.75 hours; FR 3054d: 2.5 hours.

Number of respondents: FR 3054a: 12,000; and FR 3054d: 250.

General description of report: This information collection is authorized pursuant to Section 11(d) of the Federal Reserve Act (12 U.S.C. § 248(d)).

The obligation to respond to the FR 3054a and FR 3054d is voluntary.

Because survey questions may differ from survey to survey, it is difficult to determine whether the information collected will be considered confidential.

However, information may be exempt from disclosure under exemption 4 of the FOIA, 5 U.S.C. § 552(b)(4), if disclosure would likely have the effect of (1) impairing the government's ability to obtain the necessary information in the future, or (2) causing substantial harm to the competitive position of the respondent. Additionally, should survey responses contain any information

of a private nature the disclosure of which would constitute “a clearly unwarranted invasion of personal privacy,” such information may be exempt from disclosure under exemption 6, 5 U.S.C. § 552(b)(6). Confidentiality matters should be treated on a case-by-case basis to determine if any of the above exemptions apply.

Abstract: The FR 3054a is an event-driven survey used to obtain information specifically tailored to the Federal Reserve’s operational and fiscal agency responsibilities. The FR 3054a may be conducted independently by the Federal Reserve or jointly with another government agency, a Reserve Bank, or a private firm. The FR 3054d is an annual survey used to assess the functionality of Federal Reserve notes in banknote handling equipment. The data collected from the FR 3054d are used as inputs for future designs of Federal Reserve notes. The FR 3054d may be conducted jointly with the U.S. Treasury’s Bureau of Engraving and Printing, and the CTO.

Current actions:

FR 3054a Proposed Revision

Since the Payments Systems Surveys were originally approved, the Federal Reserve has assumed additional responsibilities for currency-related activities including, management of the currency education program, which

was previously managed by the U.S. Treasury's Bureau of Engraving and Printing, and increased responsibilities for security and tactile feature development. To ensure that the Federal Reserve has the flexibility to collect data from respondents that will inform the Federal Reserve's decision-making on the education program and new banknote designs, Federal Reserve proposes to revise the FR 3054a to increase the number and type of respondents, from which it collects data. In addition, the Federal Reserve's approval of the FR 3067, in July, provides additional burden hours and flexibility to conduct surveys. Federal Reserve proposes to add individuals and law enforcement agencies to its current respondent group, reduce the annual frequency from 10 times to 1 time per year, which reflects its expectation that it will only survey respondents once, reduce the estimated time to complete a survey from 15 hours to 0.75 hours, and increase the number of respondents from 100 to 12,000. Federal Reserve anticipates that the FR 3054a will primarily be used for the currency education program, which will result in asking respondents to answer a small number of very targeted questions that respondents can complete in about thirty minutes, but will require a larger respondent pool to ensure that the public is aware of banknote designs and security features. The FR 3054a may also be used to collect information from the Federal Reserve's

stakeholders regarding the societal cost effect of a raised tactile feature on banknotes.

FR 3054d Proposed Revision

Federal Reserve proposes to revise the FR 3054d to include a perception study. Since the Payments Systems Surveys were originally approved, Federal Reserve has employed this survey to conduct numerous surveys with Banknote Equipment Manufacturers' (BEM's) regarding the functionality of banknotes. Federal Reserve plan on conducting follow-up interviews with BEM's and a perception study to determine how individuals use the features of banknotes currently in circulation and potential new features. Federal Reserve proposes to revise the FR 3054d to increase the number and type of respondents from which it collects data. Federal Reserve proposes to (1) rename the survey the Currency Functionality and Perception Survey, (2) include additional respondent groups (such as individuals), (3) increase the frequency of the survey from one time per year to four times per year, (4) reduce the estimated time to complete the survey from 48 hours to 2.5 hours, and (5) increase the number of respondents from 20 to 250. These changes reflect a greater need to gather targeted perception information from individuals rather than conduct face-to-face bilateral discussions with BEM's to obtain very technical information on how the

equipment they manufacture determines what denomination a banknote is and if it genuine or counterfeit.

Proposal to approve under OMB delegated authority the extension for three years, without revision, of the following reports:

1. Report title: Annual Daylight Overdraft Capital Report for U.S.

Branches and Agencies of Foreign Banks.

Agency form number: FR 2225.

OMB control number: 7100-0216.

Frequency: Annually.

Reporters: Foreign banking organizations (FBO).

Estimated annual reporting hours: 51 hours.

Estimated average hours per response: 1 hour.

Number of respondents: 51.

General description of report: This information collection is authorized pursuant by sections 11(i), 16, and 19(f) of the Federal Reserve Act (12 U.S.C. § 248(i), § 248-1 and § 464). An FBO is required to respond in order to obtain or retain a benefit, i.e., in order for the U.S. branch or agency of an FBO to establish and maintain a non-zero net debit cap. The information submitted by respondents is not confidential; however, respondents may request confidential treatment for portions of the report.

Data may be considered confidential and exempt from disclosure under section (b)(4) of the FOIA if it constitutes commercial or financial information and public disclosure could result in substantial competitive harm to the submitting institution (5 U.S.C. § 552(b)(4)).

Abstract: This report was implemented in March 1986 as part of the procedures used to administer the Federal Reserve's Payment System Risk (PSR) policy. A key component of the PSR policy is a limit, or a net debit cap, on an institution's negative intraday balance in its Reserve Bank account. The Federal Reserve calculates an institution's net debit cap by applying the multiple associated with the net debit cap category to the institution's capital. For FBOs, a percentage of the FBO's capital measure, known as the U.S. capital equivalency, is used to calculate the FBO's net debit cap. FBOs that wish to establish a positive net debit cap and have a strength of support assessment (SOSA) 1 or SOSA 2 ranking or hold a financial holding company (FHC) designation are required to submit the FR 2225 to their Administrative Reserve Bank (ARB).^{2, 3}

² The Administrative Reserve Bank is responsible for managing an institution's account relationship with the Federal Reserve.

³ Most FBOs that are ranked SOSA 3 do not qualify for a positive net debit cap. In the event a Reserve Bank grants a net debit cap or extends intraday credit to a financially healthy SOSA 3-ranked FBO, the financially healthy SOSA 3-ranked FBOs will have their U.S. capital equivalency based on their "Net due to related depository institutions" as reported on the Report of

2. *Report title:* Report of Net Debit Cap.

Agency form number: FR 2226.

OMB control number: 7100-0217.

Frequency: Annually.

Reporters: Depository institution's board of directors.

Estimated annual reporting hours: 1,158 hours.

Estimated average hours per response: 1 hour.

Number of respondents: De Minimis Cap: 1,016; Self-Assessment Cap⁴: 139; Maximum Daylight Overdraft Capacity: 3

General description of report: This information collection is authorized pursuant to sections 11, 16, and 19 of the Federal Reserve Act (12 U.S.C. § 248(i), § 248-1 and § 464) authorize the Board to require the FR 2226 resolutions. Disclosure of information collected on the FR 2226 would likely cause substantial harm to the competitive position of the respondent institution. Therefore, the FR 2226 is exempt from disclosure under exemption (b)(4) of the FOIA, which exempts from disclosure "trade secrets and commercial or financial information obtained from a person and

Assets and Liabilities of U.S. Branches and Agencies of Foreign Banks (FFIEC 002), Schedule RAL, Item 5.a, Column A, for the most recent quarter.

⁴ Self-assessment cap figures do not include those self-assessed cap respondents with maximum daylight overdraft capacity.

privileged or confidential.” (5 U.S.C. § 552(b)(4)). In addition, information reported in connection with the second and third resolutions may be protected under section (b)(8) of FOIA, to the extent that such information is based on the institution’s CAMELS rating, and thus is related to examination reports prepared by, on behalf of, or for the use of an agency responsible for the regulation or supervision of financial institutions (5 U.S.C. § 552(b)(8)).

Abstract: Federal Reserve Banks collect these data annually to provide information that is essential for their administration of the Federal Reserve’s PSR policy. The reporting panel includes the subset of financially healthy depository institutions with access to the discount window that opt to request a De minimis of self-assessed cap under the PSR Policy. The Report of Net Debit Cap comprises three resolutions, which are filed by a depository institution's board of directors depending on its needs. The first resolution is used to establish a de minimis net debit cap and the second resolution is used to establish a self-assessed net debit cap.⁵ The third resolution is used to establish simultaneously a self-assessed net debit cap and maximum daylight

⁵ Institutions use these two resolutions to establish a capacity for daylight overdrafts above the lesser of \$10 million or 20 percent of the institution’s capital measure. Financially healthy U.S. chartered institutions that rarely incur daylight overdrafts in excess of the lesser of \$10 million or 20 percent of the institution’s capital measure do not need to file board of directors’ resolutions or self-assessments with their Reserve Bank.

overdraft capacity. The PSR policy requires depository institutions to submit their resolutions annually, as of the date of the board of directors' approved resolution(s).

3. Report title: The Parent Company Only Financial Statements for Large Holding Companies (FR Y-9LP), the Parent Company Only Financial Statements for Small Holding Companies (FR Y-9SP), the Financial Statements for Employee Stock Ownership Plan Holding Companies (FR Y-9ES), the Supplement to the Consolidated Financial Statements for Holding Companies (FR Y-9CS).

Agency form number: FR Y-9LP, FR Y-9SP, FR Y-9ES, FR-9CS.

OMB control number: 7100-0128.

Frequency: Quarterly, semi-annually, annually, and quarterly.

Reporters: Holding companies.

Estimated annual reporting hours: FR Y-9LP: 29,148 hours; FR Y-9SP (BHCs): 41,008 hours; FR Y-9SP (Savings and Loan Holding Companies (SLHCs)): 8,435 hours; FR Y-9ES: 43 hours; FR-9CS: 472 hours.

Estimated average hours per response: FR Y-9LP: 5.25 hours; FR Y-9SP (BHCs): 5.40 hours; FR Y-9SP (SLHCs): 14.20 hours; FR Y-9ES: 0.50 hours; FR-9CS: 0.50 hours.

Number of respondents FR Y-9LP: 1,388; FR Y-9SP (BHCs): 3,797; FR Y-9SP (SLHCs): 297; FR Y-9ES: 86; FR-9CS: 236.

General description of report: This information collection is authorized pursuant by Section 5(c) of the Bank Holding Company Act [12 U.S.C. § 1844(c)]. In addition, 12 U.S.C. §§ 1467a(b)(2)(A) and 1850a(c)(1)(A) authorize the Federal Reserve to require that SLHCs and supervised securities holding companies also file the FR Y-9 series of reports with the Federal Reserve. Overall, the Federal Reserve does not consider the financial data in these reports to be confidential. However, a respondent may request confidential treatment pursuant to sections (b)(4), (b)(6), and (b)(8) of the Freedom of Information Act (FOIA) (5 U.S.C. §§ 552(b)(4), (b)(6), and (b)(8)). The applicability of these exemptions would need to be reviewed on a case by case basis.

Abstract: The FR Y-9LP and FR Y-9SP serve as standardized financial statements for the consolidated HC and its parent; the FR Y-9ES is a financial statement for HCs that are Employee Stock Ownership Plans (ESOPs). The Board also has the authority to use the FR Y-9CS (a free-form supplement) to collect additional information deemed to be (1) critical and (2) needed in an expedited manner.

The FR Y-9 family of reporting forms continues to be the primary source of financial data on HCs that examiners rely on in the intervals between on-site inspections and off-site assessments through the Small Bank Holding Company Supervision Program. Financial data from these reporting forms are used to detect emerging financial problems, to review performance and conduct pre-inspection analysis, to monitor and evaluate capital adequacy, to evaluate HC mergers and acquisitions, and to analyze an HC's overall financial condition to ensure the safety and soundness of its operations.

4. Report title: Payments Systems Surveys: Currency Quality Sampling Survey (FR 3054b) and the Currency Quality Survey (FR 3054c).

Agency form numbers: FR 3054b and FR 3054c.

OMB control number: 7100-0332.

Frequency: Annually and semi-annually.

Reporters: Financial, institutions (or depository institutions) individuals, law enforcement and nonfinancial businesses (banknote equipment manufacturers, or global wholesale bank note dealers).

Estimated annual reporting hours: 1,590 hours.

Estimated average hours per response: FR 3054b: 0.5 hours and FR 3054c: 30 hours.

Number of respondents: FR 3054b: 180 and FR 3054c: 25.

General description of report: This information collection is authorized pursuant to Section 11(d) of the Federal Reserve Act (12 U.S.C. § 248(d)).

The obligation to respond to the FR 3054b and FR 3054c is voluntary.

Because survey questions may differ from survey to survey, it is difficult to determine whether the information collected will be considered confidential.

However, information may be exempt from disclosure under exemption 4 of the Freedom of Information Act, 5 U.S.C. § 552(b)(4), if disclosure would likely have the effect of (1) impairing the government's ability to obtain the necessary information in the future, or (2) causing substantial harm to the

competitive position of the respondent. Additionally, should survey responses contain any information of a private nature the disclosure of which would constitute "a clearly unwarranted invasion of personal privacy," such information may be exempt from disclosure under exemption 6, 5 U.S.C. § 552(b)(6). Confidentiality matters should be treated on a case-by-case basis to determine if any of the above exemptions apply.

Abstract: The FR 3054b is an annual survey used to assess the quality of currency in circulation and may be conducted by the Federal Reserve, jointly with the Federal Reserve Bank of San Francisco's Cash Product Office (CPO), the Federal Reserve Bank of Richmond's Currency Technology

Office (CTO), and each Reserve Bank's cash department. The FR 3054c is a semi-annual survey used to determine depository institutions' and Banknote Equipment Manufacturers' opinions of currency quality and may be conducted jointly with the CPO and CTO.

Board of Governors of the Federal Reserve System, January 23, 2014.

Robert deV. Frierson,
Secretary of the Board.

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